

BEFORE THE
STATE OF WISCONSIN
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF SECURITIES

In the Matter of,

JAMIE A. VER HAGEN
(d/b/a JAMIE'S SHOES),

Respondent.

SUMMARY ORDER TO CEASE
AND DESIST AND REVOKING
FRANCHISE REGISTRATION

DFI Case No. S-240297 (FX)

I.

The Administrator of the State of Wisconsin, Department of Financial Institutions, Division of Securities ("Division"), having legal authority and jurisdiction to administer and enforce the Wisconsin Franchise Investment Law, Wis. Stats. Ch. 553 ("Ch. 553") and rules and orders promulgated thereunder, and having determined that this action is necessary and appropriate in the public interest and for the protection of investors, hereby enters this Order as follows:

II.

Division staff have presented evidence sufficient for the Administrator to make the following findings of fact and conclusions of law:

A. Findings of Fact

Respondent

1. Upon information and belief, Jamie's Shoes is a sole proprietorship solely controlled by Jamie A. Ver Hagen ("Ver Hagen"), an adult female resident of Wisconsin. Ver Hagen and Jamie's Shoes has a last known business address of 218800 Fawn Road, Lot 81, Mosinee, Wisconsin 54455.

Conduct

2. On or about November 21, 2019, Ver Hagen filed a franchise registration for Jamie's Shoes through the Wisconsin Department of Financial Institutions website.
3. Ver Hagen did not upload any offering circular for the franchise registration. Rather, she uploaded a two page resume for Jamie A. Ver Hagen.

4. Shortly after Ver Hagen made the franchise registration filing for Jamie's Shoes, her electronic check for the \$400 franchise registration fee was rejected for insufficient funds.
5. Division staff attempted to contact Ver Hagen numerous times between November 21, 2019 and December 9, 2019 about her failure to file a complete franchise registration by telephone and email using the contact information Ver Hagen had provided in the franchise registration filing for Jamie's Shoes.
6. Ver Hagen did not respond to the Division's telephone calls or emails.
7. Ver Hagen did not provide a valid offering circular for Jamie's Shoes or sufficient payment for the franchise registration fee.

B. Conclusions of Law

Legal Authority and Jurisdiction

8. The Administrator has legal authority and jurisdiction over the conduct described above, pursuant to Ch. 553 and the rules and orders promulgated thereunder.
9. Jamie's Shoes is registered as a franchisor, as defined under Wis. Stat. § 553.03(6).
10. Pursuant to Wis. Stat. § 553.21, no person may sell in this state any franchise unless the franchise has been registered under this chapter or is exempted under Wis. Stat. §§ 553.23, 553.235 or 553.25.
11. Pursuant to Wis. Stat. § 553.26(1) a person who wishes to sell a franchise in Wisconsin that is not excluded under Wis. Stat. § 553.22 and that is not exempt from registration under Wis. Stat. §§ 553.23, 553.235 or 553.25 shall register the franchise by notification to the division. The notification shall be on a notice form prescribed by the division, which need include only the name of the franchisor or subfranchisor, the name or names under which the franchisor or subfranchisor intends to do business and the franchisor's or subfranchisor's principal business address. Nothing other than a copy of the offering circular required under Wis. Stat. § 553.27 (4), the consent to service of process required by Wis. Stat. § 553.27 (10), if it is not already on file with the division, and the registration fee required under Wis. Stat. § 553.72 (1) need accompany the notification.
12. Pursuant to Wis. Stat. § 553.27(4), no franchise subject to registration under this chapter may be sold in this state unless a copy of an offering circular is provided to the prospective franchisee at least 14 days prior to the execution by the prospective franchisee of any binding franchise or other agreement with the franchisor or any affiliate of the franchisor or at least 14 days prior to the payment of any consideration to the

franchisor or any affiliate of the franchisor, whichever first occurs. The offering circular may be in a form that the division requires by rule, in a form permitted under 16 CFR 436 or in a form permitted by a successor to that regulation.

13. Pursuant to Wis. Stat. § 553.28(1)(e), the Division may issue an order suspending or revoking the effectiveness of any registration if the Division finds that the franchisor has failed to pay the proper filing fee, but the Division shall vacate any order when the deficiency has been corrected.
14. Pursuant to Wis. Stat. § 553.28(2), the Division may by order summarily suspend or revoke the effectiveness of a registration if the public interest and protection of investors so require.

Violations

15. As described above in ¶¶ 1-7, the Respondent violated Wis. Stat. § 553.26(1) when she failed to upload an offering circular in a form required by Wis. Stat. § 553.27(4) with her franchise registration for Jamie's Shoes.
16. As described above in ¶¶ 1-7, the Respondent violated Wis. Stat. § 553.26(1) when she failed to pay the proper filing fee for the franchise registration for Jamie's Shoes.

III.

In view of the above findings of fact and conclusions of law, the Administrator deems it necessary and appropriate in the public interest and for the protection of investors, and pursuant to its legal authority and jurisdiction under Ch. 553, to issue the following orders and notices:

A. Summary Orders issued pursuant to Wis. Stat. § 553.60

- (a) IT IS ORDERED that RESPONDENT, her agents, servants, officers, employees, successors, affiliates, and every entity and person directly or indirectly controlled or organized by or on behalf of RESPONDENT, shall cease and desist from making or causing to be made to any person or entity in Wisconsin any further offers or sales of franchises unless and until such franchises are registered or are exempted from registration under Ch. 553 or successor statute.
- (b) IT IS FURTHER ORDERED that the effectiveness of the franchise registration for Jamie's Shoes is hereby revoked.
- (c) PLEASE TAKE NOTICE that this order is effective upon the date it is made and filed, pursuant to Wis. Stat. § 553.58(5). This order was made and filed on the date of its issuance.

B. Service of Order

- (d) IT IS FURTHER ORDERED that this order shall be sent promptly by certified mail to each party named in the order at his or her last known address or to the party's attorney of record, or shall be personally served upon the party or the party's attorney of record, pursuant to Wis. Stat. § 553.58(5), Wis. Admin. Code §§ DFI-Sec. 36.01 and DFI-Sec. 8.06. This order shall also be served upon the office of the Division pursuant to Wis. Stat. § 553.73.
- (e) PLEASE TAKE NOTICE that the date of service of this order if it is sent by certified mail is the date it is placed in the mail, which is also the issue and effective date below. If a respondent is personally served, the date of service is the date personal service is obtained. You are advised that any willful violation of an Order issued by the Division under Ch. 553 is a criminal offense punishable under the provisions of Wis. Stat. § 553.52.

C. Notice of Hearing Rights

- (f) PLEASE TAKE NOTICE that you have the right to request a hearing pursuant to Wis. Stat. 553.56(2). Within 30 days after the division has issued an order summarily, an interested party may apply to the division for a hearing in respect to any matters determined by the order. Every request for a hearing shall be in the form of a written petition filed with the Division, pursuant to Wis. Stat. § 227.42, Wis. Admin. Code §§ DFI-Sec 36.01 and DFI-Sec. 8.01. A petition for a hearing to review the order shall:
- (1) Plainly admit or deny each specific allegation, finding or conclusion in the order and incorporated papers. However, if the petitioner lacks sufficient knowledge or information to permit an admission or denial, the petition shall so state, and that statement shall have the effect of a denial; and
 - (2) State all affirmative defenses. Affirmative defenses not raised in the request for hearing may be deemed waived.
- (g) PLEASE TAKE FURTHER NOTICE that you may file your written petition:

- (1) By mailing the written petition to:

Division of Securities
Wisconsin Department of Financial Institutions
P.O. Box 1768
Madison, WI 53701-1768

- (2) By delivering the written petition in person to:

Division of Securities
Wisconsin Department of Financial Institutions
4822 Madison Yards Way, North Tower, 4th Floor
Madison, Wisconsin 53705

(3) By faxing the written petition to 608-264-7979

- (h) PLEASE TAKE FURTHER NOTICE that, within 10 days after an interested party files a written request with the division for a hearing, the matter shall be noticed for a hearing, and a hearing shall be held within 60 days after notice unless extended by the Division for good cause, pursuant to Wis. Stat. § 553.56(2).
- (i) PLEASE TAKE FURTHER NOTICE that, during the pendency of any hearing requested under this subsection, the order issued summarily shall remain in effect unless vacated or modified by the division, pursuant to Wis. Stat. § 553.56(2).
- (j) PLEASE TAKE FURTHER NOTICE that if you do not request a hearing and none is ordered by the Administrator within 30 days after the order is issued, the findings of fact, conclusions of law, and summary orders become final as by operation of law, pursuant to Wis. Stat. § 553.56(3).

EXECUTED at Madison, Wisconsin, this 2nd day of January, 2020.



Leslie M. Van Buskirk
Leslie M. Van Buskirk
Administrator

Division of Securities
State of Wisconsin
Department of Financial Institutions
4822 Madison Yards Way
Madison, Wisconsin 53705



State of Wisconsin
Department of Financial Institutions

Tony Evers, Governor

Kathy Blumenfeld, Secretary

**AFFIDAVIT OF SERVICE
AND COMPLIANCE WITH WIS. STAT. § 551.611**

STATE OF WISCONSIN)
) ss.
COUNTY OF DANE)

I, KATHERINE CLEMENTI, first being duly sworn, depose and state:

1. I am employed with the State of Wisconsin, Department of Financial Institutions, Division of Securities.
2. On the date of this Affidavit and in the course of regularly conducted activity, I have caused to be served by certified mail upon Jamie A. Ver Hagen at her last known business address of 218800 Fawn Road, Lot 81, Mosinee, Wisconsin 54455:
 - i. A copy of the Summary Order to Cease and Desist and Revoking Franchise Registration, DFI Case No. S-240297 (FX); and
 - ii. A copy of this Affidavit of Service.
3. In compliance with Wis. Stat. §§ 227.48, 551.611, and 891.46; and Wis. Admin. Code. §§ DFI-Sec 8.06 and 8.07, I have also caused to be served copies of those same documents upon the Administrator for the Division of Securities.

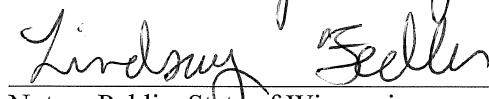
I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.


KATHERINE CLEMENTI

State of Wisconsin
Department of Financial Institutions
Division of Securities

Subscribed and sworn to before me

This 2nd day of January, 2020.



Notary Public, State of Wisconsin
My commission is permanent.

(Notary Seal)

